

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 25, 2013

Item 13, Report No. 8, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on June 25, 2013.

13 ENDING MARCH 31, 2013 – CONSOLIDATED QUARTERLY REPORT

The Finance and Administration Committee recommends approval of the recommendation contained in the following report of the Acting Commissioner of Finance & City Treasurer and the Director of Financial Services, dated June 10, 2013:

Recommendation

The Acting Commissioner of Finance & City Treasurer and the Director of Financial Services recommend:

1. That the 2013 Consolidated First Quarter Variance Report be received.

Economic Impact

Not applicable

Communication Plan

Not applicable

Purpose

To report on 2013 actual first quarter results, as of March 31st, 2013 and compare them to the approved annual budgets. An update on grant activity within the first quarter is also provided. There is no economic impact as budgets and projects have been previously approved by Council. This information is intended for reporting and monitoring purposes only.

Background – Analysis and Options

The attached first quarter variance report compares actual operating and capital results for the period ending March 31st, 2013, relative to approved budgets. It is important to note, the combined favourable variance is not directly indicative of the City's final year-end position; it simply compares the City's actual financial position to the approved budget at a point in time. At this stage in the process it is too early to determine if the City's position can be sustained, as a number of events such as a shifting of trends, timing differences, or unforeseen activities in the latter part of the year could easily erode the current position.

The actual balances presented include all necessary entries and accruals. However, it should be noted, the full amortization of tangible capital assets and post retirement employee benefits are excluded and presented differently from the City's financial statements.

The April 23rd, 2013 *Grant Report Update* to Council stated that quarterly updates would be provided through the quarterly reporting and budgeting process. Grant activity for the first quarter has been provided in the body of the report.

First Quarter Overview

The quarterly results for City Operations, Water and Wastewater Operations, and Capital are presented together in one consolidated report. This action is intended to provide stakeholders with a more fulsome and complete view of the City's financial results. The item will provide a brief executive summary followed by summaries for City Operations, Water and Wastewater Operations, and Capital. Additional detail will be provided as attachments.

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Ahead of Budget

Overall, the City's financial performance is favourable. As illustrated in Table 1 the City has come in under budget in all three areas. This is anticipated in the 1st quarter as the level of spending is restrained until Budget approval, which occurred on Feb. 11th, 2013. It is expected that spending will catch up to budget in the later quarters.

Table 1 below summarizes and illustrates the City's financial results, which is followed by a brief summary for each area.

Table 1 - Summary of the City's Q1 2013 Financial Results

Operations				
(In millions)				
	City	Water	Wastewater/ Storm	Total
Revenue				
YTD Budget	90.4	9.8	10.6	110.8
YTD Actual	88.6	10.0	11.0	109.6
Variance	(1.9)	0.2	0.4	(1.3)
%	-2.1%	2.0%	3.8%	-1.2%
Expenditure				
YTD Budget	67.8	9.0	9.8	86.6
YTD Actual	65.1	8.9	9.8	83.8
Variance	2.7	0.1	0.0	2.8
%	4.0%	1.1%	0.0%	3.2%
Net fav./ (unfav.) variance	0.8	0.3	0.4	1.5
Add'l Resv. Contributions		0.3	0.4	0.7
Surplus/ (Deficit)	0.8	0.0	0.0	0.8

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Capital

(In millions)

	Prior Years			2013					2013 Adjusted	
	Total Available Budget	Total Actual Spend	Variance Q4-12	2013 Budget	Available Budget (A)	Actual Spend	Variance Q1-13		Major Y/E 2012 Accrual Reversals (B)	Adjusted Variance Q1-13 (C)
							\$	%		
2013 Budget Projects - Closed	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0%	0.0	0.0
2013 Budget Projects - Active	0.0	0.0	0.0	46.3	46.3	0.0	46.3	100%	0.0	46.3
Total 2013 Budget Projects	0.0	0.0	0.0	46.3	46.3	0.0	46.3	100%	0.0	46.3
Prior Budget Projects - Closed	22.5	21.2	1.3	(0.5)	0.8	0.2	0.6	74%	0.0	0.6
Prior Budget Projects - Active	531.5	394.4	137.1	12.0	149.1	3.1	146.0	98%	15.2	161.2
Total Prior Budget Projects	554.0	415.6	138.4	11.5	149.9	3.3	146.6	98%	15.2	161.9
Total	554.0	415.6	138.4	57.8	196.3	3.3	193.0	98%	15.2	208.2

Note: A) Above available budget balance includes in-year budget amendments

B) Y/E 2011 audit accrual reversals illustrated separately to focus on actual unspent values

C) Combined Active Adjusted Variance equals the Variance on Attachment 3, and combined Closed Adjusted Variance equals the Variance on Attachment 4.

General Note: Capital project timing can span multiple years. The above chart aims to illustrate this occurrence and presents activity related to prior budgets separately.

End of Year Surplus Application - Should surpluses continue, it is important to note, the City takes financial stewardship very seriously and has implemented policies and actions to best use surplus funds. These actions consist of:

- Applying a portion of any surplus to the next budget year to reduce pressure on the tax rate
- Allocating funds to reserves to sustain the community's infrastructure network & help mitigate future tax implications, as per City policy.
- Releasing unused capital funds to their original source for future community projects

City Operating Budget Results

The annual Operating Budget for the City is \$238.5M, of which 72.7% remains to be realized. At the end of the first quarter, the City experienced a \$0.8M net favourable variance on the City's 2013 first quarter net operating budget. This favourable variance is comprised of a \$2.7M favourable expenditure variance and a \$1.9M unfavourable revenue variance. The main areas that contributed to the positive \$0.8M variance are summarized below;

City Revenue Variance Overview

Actual revenues were \$88.6M as of March 31, 2013, and represent a \$1.8M unfavourable variance when compared to the year-to-date revenue budget of \$90.4M. This variance stems from the following:

- **Reserves & Other Transfers** - There were several variances that contributed to the unfavourable variance of \$2.2M. The unfavourable variances are:
 - \$1.7M of planned withdrawals that were not required for Engineering Services, Building Standards Service Continuity Reserve and DC Growth projects as a result of lower than expected department expenditures.

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- \$517K in Administration Recovery from Capital as a result of a reversal of a 2012 year end accrual.
- **User Fees/Services Charges** – There was a favourable variance of \$0.7M mostly from Development Planning, Recreation and Fire department revenues that are explained in more detail in Attachment #2.
- **Corporate Revenue** – An unfavourable variance of \$271K was mainly in investment income as a result of timing of financial entries that will be adjusted in second quarter and slower than anticipated economic conditions.

City Expenditure Variance Overview

Actual total expenditures were \$65.1M as of March 31, 2013, and represent a \$2.7M favourable variance to the year-to-date expenditure budget of \$67.8M. This variance stems from the following:

- **Department Expenses** - The largest component driving the City's favourable expenditure variance was a favourable position in total department expenses, approximately \$4.3M. Although variances can be generally found throughout most departments, 55% is related to variances over \$200k in Recreation, Clerks, Building Standards, Development Transportation & Engineering, ITM, Planning, and Parks. The following contributed to the overall City department variance:
 - A \$3.9M labour variance was attributable to general turnover vacancies, new compliment vacancies in the recruitment process, and year-end payroll accrual reversals due to past year payment timing. A level of labour variance is anticipated and planned for corporately, but actual City performance was \$2.3M greater than the \$1.6M Q1 planned corporate balance.
 - There was a \$213K favourable variance in utilities mainly in hydro as a result of timing of payment processing
 - A \$900k favourable variance resided in multiple accounts, such as materials and supplies, YRT ticket pass purchases, computers, etc.
 - The above was partially offset by an unfavourable variance of \$712K experienced in the contractor account mainly a result of higher than anticipated winter activities caused by severe storms and wind damage, in Public Works and Parks & Forestry departments. This variance could be lessened by the end of the year dependant on winter conditions.
- **Corporate Expenses** – There was a combined unfavourable variance of \$1.6M in corporate expenditures, mainly as a result of anticipated labour savings of \$1.7M. As illustrated in the above department expenses section, actual department performance was \$2.3M greater than the corporate balance planned for the year. The remaining variance consists of minor net favourable variances in tax adjustments, professional fees, etc.

Variance Summary:

For quick reference purposes, a summary of the variances by major category is provided below. A more detailed financial summary is provided as Attachment #1. Further explanations on specific variances are provided as Attachment #2.

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**City of Vaughan
2013 OPERATING BUDGET
FIRST QUARTER VARIANCE REPORT**

<u>Revenues</u>	Variance in \$mil (rounded)	
Reserves and Other Transfers		
Building Std Continuity Reserve	(0.8)	
Engineering Reserve	(0.8)	
Administration Recovery from Capital	(0.5)	
Other (under \$100K var.)	<u>(0.1)</u>	(2.2)
Fees & Service Charges		
Development Planning	0.4	
Fire and Rescue Services	0.2	
Recreation	0.2	
Other (under \$100K var.)	<u>(0.1)</u>	0.7
Corporate Revenue		
Investment Income	<u>(0.2)</u>	(0.2)
Other		<u>(0.2)</u>
Total Revenues		(1.9)
<u>Expenditures</u>		
Departmental Expenses		
Recreation	0.6	
Building Standards	0.4	
Information & Technology Management	0.3	
Development & Transport. Engineering	0.3	
City Clerk - Insurance	0.3	
Development Planning	0.2	
Parks & Forestry Operations	0.2	
Other-(various departments under \$200k var.)	<u>2.0</u>	4.3
Corporate Expenditures		
Anticipated Labour Savings	(1.7)	
Other	<u>0.1</u>	<u>(1.6)</u>
Total Expenditures		<u>2.7</u>
Net Favourable Variance		\$ 0.8

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Water and Wastewater/Storm Operating Budget Results

The water/wastewater system in York Region operates as a two-tier system. The Region of York is responsible for the supply of water and wastewater services and the lower tier municipalities are responsible for the water and wastewater distribution systems within the local municipality. The net revenues that are generated annually by the City of Vaughan from the operations of the water and wastewater/storm utilities fund costs associated with the purchase of water supply and wastewater services from the Region of York, as well as the City's administration, financing costs, system operational and maintenance costs and most importantly funding to build the reserves for future infrastructure renewal.

Water Operations

Year to date (YTD) actual water revenues for the period ending March 31, 2013 are favourable by \$239K which is comprised of residential \$334K, offset by slightly unfavourable commercial revenue of \$68K and other revenue \$26K.

The favourable residential billings are due to higher than budgeted average consumption levels per household. Actuals are trending at 3.5 cubic meters per household more than budget. New account activity reached just under half the targeted accounts.

Commercial average consumption activity resulted in slightly lower than expected results, below budget by 63,000 m³. New account activity is trending slightly below budget also.

Purchases are unfavourable by \$138K as a result of unfavourable water purchases of \$343 primarily due to higher than budgeted sales. This is offset by favourable non-revenue water (NRW) consumption of \$205K.

The Gross Margin indicates the net funding available to the City after the Region of York has been paid for the water supply, favourable by \$101K.

Other revenues consist primarily of installation and service fees and are slightly unfavourable by \$59K, actual activity is based on demand.

Water expenses are favourable by \$296K which is the result of favourable maintenance and installations expenditures of \$170K and favourable general administration of \$114K. The favourable variances are largely due to **fewer customer service requests and lower than expected activity levels in contracted works and temporary vacancies.**

As a result of the above, the quarterly water lifecycle contribution of \$1.1M is favourable by \$338K.

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City of Vaughan
Statement of Operations
Water Division
For the period ending March 31, 2013

	2013 Budget	2013 YTD Budget	2013 YTD Actual	2013 YTD Variance
Water Revenues				
Residential Billings	29,658,660	5,817,165	6,151,204	334,039
Commercial Billings	18,753,720	3,645,815	3,577,361	(68,454)
Other	293,430	56,875	30,421	(26,454)
	\$48,705,810	\$9,519,855	\$9,758,986	\$239,131
Water Purchases				
Metered Water Purchases	29,871,880	5,485,430	5,828,381	(342,951)
Non-Revenue Water	4,450,000	1,407,000	1,202,100	204,900
	\$34,321,880	\$6,892,430	\$7,030,481	(\$138,051)
Gross Margin	\$14,383,930	\$2,627,425	\$2,728,505	\$101,080
Other Revenues	\$1,106,000	\$260,220	\$201,361	(\$58,859)
Expenses				
Maintenance and Installation	5,530,365	970,075	799,889	170,186
General Administration	3,932,215	982,995	869,023	113,972
Joint Service Costs	776,490	194,130	182,527	11,603
	\$10,239,070	\$2,147,200	\$1,851,439	\$295,761
Net Water Operations	\$5,250,860	\$740,445	\$1,078,427	\$337,982
Budgeted Lifecycle Contribution	\$5,250,860	\$740,445	\$740,445	\$0
Additional Reserve Contribution	\$0	\$0	\$337,982	
Surplus	\$0	\$0	\$0	\$0

Wastewater/Storm Operations

Wastewater billing is based on water consumption; therefore trending is very similar to water revenues. Wastewater YTD billings are favourable by \$247K for the period ending March 31, 2013 which is comprised of residential billings \$389K offset by unfavourable commercial revenue of \$142K. Wastewater revenue is billed based on water consumption.

The unfavourable treatment variance of \$158K is a combination of unfavourable treatment charges due to higher sales offset by favourable non-revenue treatment charges. This relates directly to the non-revenue water variance.

The favourable gross margin of \$89K is the result of favourable sales less unfavourable treatment charges.

Other revenues are slightly favourable by \$48K and expenses are favourable by \$224K due primarily to favourable maintenance and installation at \$175K as a result of less than expected activity such as contracted work related to repairs. General administration is slightly favourable at \$32K due to timing of discretionary spending. All other expenses are on budget.

As a result of the above, the quarterly wastewater/storm lifecycle contribution of \$1.2M is favourable by \$362K.

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City of Vaughan
Statement of Operations
Wastewater/Storm Division
For the period ending March 31, 2013

	2013 Budget	2013 YTD Budget	2013 YTD Actual	2013 YTD Variance
Wastewater Revenues				
Residential Billings	32,743,180	6,311,300	6,700,523	389,223
Commercial Billings	21,746,480	4,199,640	4,057,773	(141,867)
	\$54,489,660	\$10,510,940	\$10,758,296	\$247,356
Wastewater Expense				
Regional Treatment Charges	\$41,344,290	\$8,048,340	\$8,206,264	(\$157,924)
Gross Margin	\$13,145,370	\$2,462,600	\$2,552,032	\$89,432
Other Revenues	\$738,200	\$131,250	\$179,153	\$47,903
Expenses				
Maintenance and Installation	3,611,240	785,155	610,286	174,869
General Administration	2,103,925	525,785	493,468	32,317
Storm Sewer Maintenance	1,697,825	347,775	338,387	9,388
Joint Service Costs	517,665	129,405	121,685	7,720
	\$7,930,655	\$1,788,120	\$1,563,826	\$224,294
Net Wastewater Operations	\$5,952,915	\$805,730	\$1,167,359	\$361,629
Budgeted Lifecycle Contribution	\$5,952,915	\$805,730	\$805,730	\$0
Additional Reserve Contribution	\$0	\$0	\$361,629	
Surplus	\$0	\$0	\$0	\$0

Capital Budget Results

Overall, the Capital Budget performance is favourable, with the majority of projects coming in under assigned budget. This section is intended to provide an update on quarterly activity for the following:

- *Open Capital Project Spend Performance*
(This report has been reformatted to include % of completion and completion date)
- *Closed Capital Projects Budget vs. Actual*
- *Reserve and Reserve Fund positions*

Open Capital Project Spend Report (Attachment #3)

Staff reviewed the Open Capital Project Spend Report and general highlights are provided below.

- As of Quarter 1-2013, 540 projects with a budgeted valued of \$620M are open.
 - ✓ 429 capital projects were open in Quarter 4-2012
 - ✓ 24 projects were closed in Quarter 1-2013
 - ✓ 135 net new capital projects were added

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- The above open projects were approved as follows:
 - ✓ 25% 2013
 - ✓ 54% 2009-2011
 - ✓ 15% 2006-2008
 - ✓ 6% 2005 and older approvals
- As of Mar 31, 2013, 66% of the available budgets were spent
- Capital projects substantially complete and nearing closing
 - ✓ 19 projects are substantially complete
 - 7 open projects are complete and should be closed in next quarter
 - 12 open projects are complete, awaiting final invoicing and approval
 - ✓ The Block 11 Community Centre Land project with a budget value of \$12M is complete, of which \$1M is awaiting debt issuance. Debentures of \$1M representing the 10% co-funding on this growth project will be issued in Q3 2013.
 - ✓ 7 Engineering projects are completed and awaiting outstanding invoices from the Region.
 - ✓ 35 open engineering projects are substantially complete and potentially coming in under budget by \$16.6M. Once closed, commitments will be reduced freeing up unused project funding in the original funding source. These items are on maintenance and closing is contingent on a timeframe to determine outstanding invoices and settlement issues.
- Unfavourable variances (> \$10K) from budget include:
 - ✓ OPA 620 East West Collector EA (Capital Project DT-7011-07) over budget by \$128K as a result of increase in scope of the project from the addition of work funded by the TTC regarding the extension of the Spadina Subway. This has a zero effect on the net budget and Committee/Council is advised of this change by way of this report.

Individual Capital Project Detail - In addition to the above, budget to actual financial status and comments for currently approved and open capital projects are provided in Attachment 3. It is important to note this information is compiled at a point in time and the reader is cautioned on the following:

- A completed capital project will remain active or open until all invoices are paid and funding is complete. Projects are not closed until approved by the department. As a result, projects that are substantially funded will reside on the Open Capital Project Spend Report. It is important to note this report represents projects from current and prior budget years and total balances are the combined value.
- Projects that are debenture financed, as approved by Council, are not closed until debenture financing is acquired through the Region of York. Furthermore, project financing is not typically requested until the project is substantially complete, which is contingent on a timeframe to determine outstanding invoices and settlement issues. In the case of Engineering Projects, this may take up to several years.
- Capital work is continuously underway and current information will vary from this report.

Capital projects closed during the 1st Quarter

Staff together with City departments reviewed all active capital projects listed as of March 31st, 2013 to determine which capital projects could be consolidated and/or closed. Overall, 24 capital

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projects totalling a budget of \$6.6M were closed in the 1st quarter of 2013. Total actual project costs came in at 95% of budget, freeing up \$309K in the original funding sources for future project consideration. The drivers behind the \$309K are as follows:

- Approximately 72% or \$223K of the above project savings are related to a Development & Transportation project 1312-0-99. The original budget was based on preliminary estimates. Developer's final costs and scope of work was reduced from the original estimate, resulting in savings of \$223K.
- Approximately \$26K of the above project savings are related to the Engineering Services project EN-1678-07 which closed at 51% of the project budget due to reduction in scope of the project.
- Approximately \$17K of the above project savings are related to 14 Building and Facilities projects, which on average closed at 98% of the project budget.
- The remaining balance is spread over 6 departments and 8 projects.

A complete list of closed capital projects is provided as Attachment 4.

Continuity Schedule of Reserves and Reserve Funds

A continuity schedule of reserves and reserve funds as at March 31, 2013 is provided as Attachment 5. This schedule provides information on the individual and aggregate reserve balances. It also provides information on outstanding financial commitments and payment estimates required in future periods to fund approved projects. Forecasting commitments is intended to provide a proactive view of the reserve position and should not be interpreted as the year-end position due to the fact that commitments are not incorporated into financial statements until the actual expenses have incurred. In addition, reserve revenues are not included in the continuity forecast, due to variability and changing economic conditions.

Reserve positions before commitments are all in a positive position, with the exception of development charge management studies and fire. Adding commitments to the schedule reveals that 8 reserves are in a future negative position. Since Quarter 4 - 2011, the D23 Dufferin Teston Sanitary Reserve has recovered to a positive balance. Below is a brief description for positioning of these 8 reserves:

Sale of Public Lands – Future obligations are currently greater than the balance on hand. Dedicated surplus land is authorized for sale to cover this obligation but is pending.

Uplands Capital Improvement – A commitment to replace the uplands chairlift was recently approved by Council. As a result, the future position of this reserve will be in a negative position and replenished over time through Uplands revenue received.

CWDC Fire – A Council commitment to move forward with fire station 7-10 will temporarily place this reserve into a negative position, which will be replenished through future growth based development charges. This position may impact the timing of future projects.

CWDC Management Studies – Due to timing of events, this reserve is permitted to be in a deficit position. Growth related studies are incurred in advance of growth and recovered through subsequent development charges.

Special Charges and Area Development Charges (Developer Build Reserves) – These reserves relate to projects generally built by developers. Essentially, the developer has agreed to develop a structure, which will be funded by the City once funds are collected and available. Although, the continuity schedule illustrates a negative position after commitments, these reserves will never be in a deficit cash position as payments will only occur when funds are on hand. Reserves with a negative balance after commitments in this category are as follows:

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- D15 PD#5 Woodbridge Water
- D18 PD#6 Maj., Mac Water
- D19 PD#6 E. Rutherford Water
- D25 Zenway/Fogal Sub-Trunk

Grants Update

The following report provides an overview of the grant portfolio's First Quarter results with respect to Annual Grant Programs and recently announced potential funding opportunities.

The Grant Report adopted at Council on April 23, 2013 provided detailed discussion on the following:

- Continuous Grant Programs
- Sector and Term Specific Grant Programs
- One Time Grants: Mandatory Annual Reports

Attachment 6 provides an update regarding the status of these grant programs.

During the first quarter 49 project submissions were underway for a total of \$12 million in potential grant and subsidy revenue. These are summarized as follows:

- Annual Grants Program submissions in Q1 (detailed in another section).
 - Five submissions were notified of award amounts to be received
 - Four submissions are pending notification of award status
 - Three were not awarded funding
- Continuous Grant Programs and Sector Specific Grants submitted in 2012 and part of the budget process
 - 22 gas tax submissions were notified of award amounts to be received
 - 15 CIIF sector specific grants were notified of award amounts to be received

Annual Grants Program Submissions: Awarded, Pending Award and Not Awarded

The Federal and Provincial governments offer annual grant & subsidy programs to fund public programs/services and reduce the burden on limited tax revenue. In the first quarter of 2013, 12 submissions were made for a potential of \$705,900 in grant revenue. The following details the results of these submissions to date:

ANNUAL GRANT PROGRAM SUBMISSION: FUNDING AWARDED			
PROGRAM	PROJ. TOTAL	AMT AWARDED	USE OF FUNDS
Swim to Survive	12,710	12,710	City's share of Program delivery.
Region's Ped & Bike Part Prog.	80,320	39,323	Directional signage along Bartley Smith Trail
Young Canada Works	15,351	8000	Person hired to complete digitization project.
Vaughan Business Enterprise Centre	385,392	128,550	VBEC program expenses
JEPP Final Report/Reimbursement Request	33,965	15,284	JOC equipment
TOTALS	527,378	203,867	

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ANNUAL GRANT PROGRAM SUBMISSION: AWARD PENDING			
PROGRAM	PROJ. TOTAL	AMT PENDING	USE OF FUNDS
Celebrate Canada	93,110	10,000	Canada Day Event
Canada Summer Jobs	782,420	319,445	Hire Summer Students
COSTI	35,000	35,000	Hire Summer Students
Job Start	21,000	21,000	Hire Summer Students
TOTALS	931,530	385,445	

NOT AWARDED		
MIII Capital EOI	90,000	Program focused on communities with significant financial constraints
Edible Trees	4,000	Limited funds available; highly competitive
New Horizons for Seniors	22,596	Limited funds available; highly competitive
TOTALS	116,596	

Potential Funding Opportunities:

Federal Budget: New Building Canada Plan Funding:

The Federal government announced new measures to aid municipalities in meeting their infrastructure needs which will come into effect after March 31, 2014. Specifically, the Gas Tax program will now be indexed at 2 per cent per year, equating to approximately \$145,000 in additional revenues; further, the number of eligible project categories will be expanded to include highways, local and regional airports, short-line rail, short-sea shipping, disaster mitigation, broadband connectivity, brownfield redevelopment, culture, tourism, sport and recreation. The existing Community Improvement Fund will be extended, providing new funding however; the details have not yet been released. The status of these initiatives will continue to be monitored and reported on as information becomes available.

Provincial Budget:

The recently tabled Provincial budget does not provide any new grant or subsidy funding opportunities for the City of Vaughan as the focus is toward rural, northern and smaller municipalities. Council will be apprised of any changes as well as new initiatives as they become available.

Places to Grow Implementation Fund:

The Province has issued a call for proposals for the new Places to Grow Implementation Fund. One project per year can receive up to \$100,000 for eligible expenses. This fund is designed to support projects that achieve and promote policies and goals of the Province's growth plans. Eligible projects must:

- Support research to further growth planning in Ontario; or
- Build capacity in municipalities to advance growth management policy development and implementation; or
- Educate about the benefits of effective growth management.

The Grants Specialist is currently working with departments to determine projects which meet the criteria. Funding became available April 1, 2013 and applications may be submitted at any time.

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Relationship to Vaughan Vision 2020 / Strategic Plan

The report is consistent with the priorities set by Council and the necessary resources have been allocated and approved.

Regional Implications

None

Conclusion

Based on the 2013 first quarter results, the overall City position is favourable \$0.8M. It is early in the year and if trends continue barring any unforeseen events, it is likely that the 2013 year-end will be favourable. Over the past few years, the operating budget has relied on prior year's surplus of \$2.5M to balance the operating budget. At this point in time, indicators suggest that 2013 will not be different than previous years.

Attachments

- Attachment 1: City Operating – First Quarter Variance Report
- Attachment 2: City Operating – Q1 Specific Variance Explanations
- Attachment 3: Open Capital Project Spend Report as at March 31, 2013
- Attachment 4: Projects on maintenance, warranty or awaiting regional invoicing
- Attachment 5: Closed Capital Projects Report for 1st Quarter Ending March 31, 2013
- Attachment 6: Continuity Schedule of Reserves & Reserve Funds as at March 31, 2013
- Attachment 7: Grants Update

Report prepared by:

Ursula D'Angelo, CGA
Manager of Operating Budget
Ext. 8401

Carey Greenidge, CMA
Finance Manager, Water & Wastewater
Ext. 8486

Jackie Macchiusi, CGA
Manager, Capital & Reserve Planning
Ext. 8267

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)